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July 18, 2006

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110


Re: NSTAR Electric Company, D.T.E. 06-40

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter are the responses to the Information Requests set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,



Robert N. Werlin

Enclosures

cc: Service List

Responses to Information Requests

DTE-3-2

DTE-3-8

DTE-3-12

Information Request DTE-3-2

Refer to the Companies' response to information request DTE 1-8. Are there any franchise rights and obligations currently held by Canal Electric that would also need to be confirmed as part of a merger?

Response

There is none.

Information Request DTE-3-8

Refer to the Companies' response to information request DTE 1-13. Please provide the Department with the consolidated Basic Service adder that will be charged to customers if this filing is approved. Provide all workpapers, analysis, and data in Microsoft Excel format with links and formulas in cells.

Response

The Companies' consolidated Basic Service adder will reflect estimated annual bad-debt costs at the time of filing its Basic Service rates for effect January 1, 2007. This calculation will include a reconciliation of actual and estimated bad-debt costs and collections for 2006 as provided for in the provisions of the Companies' Basic Service rate. An example calculation of the consolidated Basic Service Adder reflecting twelve months ended June 2005 data (D.T.E. 05-85 Settlement Agreement test year) is provided as Attachment DTE-3-8. The bad-debt amounts in the example calculation will be updated as described above.

**NSTAR ELECTRIC**  
12 Months Ended June 2005

**Wholesale Costs to be included with Default Service (1)**

<u>Description</u>	<u>Total</u>	<u>Boston Edison</u>	<u>Commonwealth</u>	<u>Cambridge</u>
Solicitation	\$ 132,470	\$ 95,116	\$ 25,599	\$ 11,756
Administration	\$ 12,244	\$ 8,792	\$ 2,366	\$ 1,087
Total	\$ 144,715	\$ 103,907	\$ 27,965	\$ 12,842

**Direct Retail Costs to be included with Default Service**

<u>Description</u>	<u>Total</u>	<u>Boston Edison</u>	<u>Commonwealth</u>	<u>Cambridge</u>
Bad Debt(2)	\$ 7,964,585	\$ 6,355,582	\$ 1,293,165	\$ 315,838
Cust Communications(3)	\$ 94,922	\$ 61,767	\$ 28,293	\$ 4,862
RPS Costs(1)	\$ 3,597	\$ 2,583	\$ 695	\$ 319
Total	\$ 8,063,104	\$ 6,419,932	\$ 1,322,153	\$ 321,019

**Total Costs                   \$    8,207,819   \$    6,523,839   \$    1,350,119   \$    333,861**

DS & SO - mWh           14,962,556.0   10,776,429.0           2,868,270           1,317,857  
**DS - Adjustment       \$    0.00055   \$    0.00061   \$    0.00047   \$    0.00025**

Total - mWh           20,972,494.0   15,075,738.0           4,220,384.0           1,676,372.0  
**Distribution Adj.       \$    (0.00039)   \$    (0.00043)   \$    (0.00032)   \$    (0.00020)**

**Allocation Factors**

DS & SO Revenue       \$ 899,448,572   \$ 645,817,407   \$ 173,812,918   \$ 79,818,247  
DS & SO Pamphlets       4,764,000       3,100,000       1,420,000       244,000

- (1) NSTAR total costs allocated to individual company in proportion to company DS revenue  
(2) Reflects the sum of the net write-offs for existing Default and Standard Offer customers.  
(3) Costs allocated in proportion to # of pamphlets distributed

Information Request DTE-3-12

Refer to the Companies' response to information request DTE 2-7 (a). The diagram supplied is too small and not readable. Please provide a larger size of the same titled "Geographic System Diagram 115-13.8 kV Tie Lines Cambridge Electric Light Co. Rev 7-6-06."

Response

**[PROTECTED MATERIALS ATTACHED]**

Attachment DTE-3-12 sets forth the enlarged copies (22" x 34") of the Geographic System Diagram 115-13.8 kV Tie Lines Cambridge Electric Light Co. Rev 7-6-06.